

336.24

I163r

1968

NOTICE: Return or renew all Library Materials! The *Minimum Fee* for each Lost Book is \$50.00.

The person charging this material is responsible for its return to the library from which it was withdrawn on or before the **Latest Date** stamped below.

Theft, mutilation, and underlining of books are reasons for disciplinary action and may result in dismissal from the University.
To renew call Telephone Center, 333-8400

UNIVERSITY OF ILLINOIS LIBRARY AT URBANA-CHAMPAIGN

UNIVERSITY OF
ILLINOIS LIBRARY
AT URBANA-CHAMPAIGN
ACCS

L161—O-1096

JUN 26 2001

AGRICULTURE LIBRARY

336.24
IL632
1968

Report

1968 FARM INCOME TAX TRAINING SCHOOLS

sponsored by the
UNIVERSITY OF
ILLINOIS
COOPERATIVE
EXTENSION SERVICE
DEPARTMENT OF
AGRICULTURAL
ECONOMICS

with the
cooperation of the
SPRINGFIELD AND
CHICAGO DISTRICTS
INTERNAL REVENUE
SERVICE
U.S. TREASURY
DEPARTMENT



UNIVERSITY OF ILLINOIS

NOV 7 1969

LIBRARY

AE-4213

336.21
Il63r
1968

Agric.

FOREWORD

As early as 1940, the Cooperative Extension Service at the University of Illinois in Urbana-Champaign recognized that the tax on income from farming was significant, in terms of the total cost of farming. Tax regulations and filing requirements were becoming more complicated, and farmers were seeking guidance from others concerning tax problems.

The tax on income from farming continues to be a significant aspect of farm planning and management. Tax laws and filing specifications have continued to increase in both number and complexity.

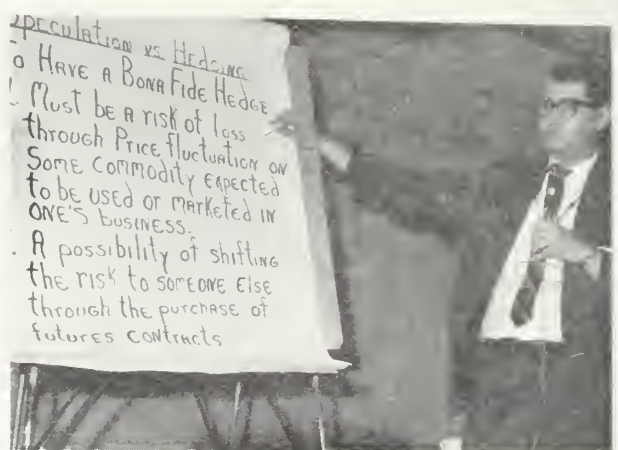
Since 1940, the Cooperative Extension Service in Illinois has held annual Farm Income Tax Training Schools. These schools are now designed for tax practitioners and consultants, rather than for individual farmers and other taxpayers as in earlier years.

Two tax training schools were held by the Cooperative Extension Service in 1940. Sixteen schools were held in 1968, with some 1,478 persons enrolled.

A better understanding of tax problems and filing requirements by tax practitioners results in fewer errors and a greater number of properly prepared tax returns. This is a significant benefit, both to the Internal Revenue Service and to the taxpayers.

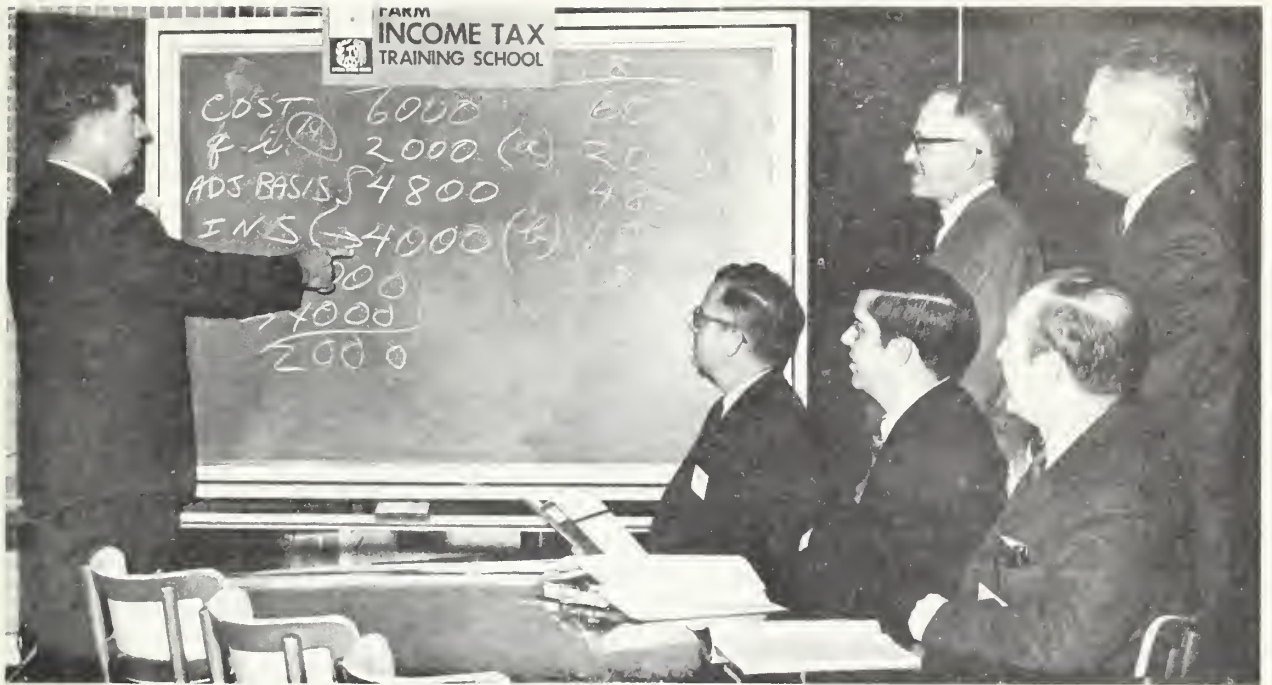
Since early 1950, the Internal Revenue Service, U.S. Treasury Department, has joined forces with the Cooperative Extension Service, University of Illinois College of Agriculture, in presenting these schools. The IRS has provided excellent instructors and has assisted with the planning and preparation of the teaching materials. Certainly, the program improvement and growth that has been realized would not have been possible without this participation and support.

Fay M. Sims and C. Allen Bock
Cooperative Extension Service
College of Agriculture
University of Illinois
Urbana-Champaign Campus



Pictures from the Freeport and Jacksonville Tax Schools. (TOP LEFT) C. Allen Bock, University of Illinois Extension Specialist in Agricultural Law, is talking with the group at Jacksonville, discussing questions concerning gains and losses resulting from the sales or exchange of property. Standing on the left and right, respectively, are IRS Instructors Lee Farrell and Joseph Lynch. (TOP RIGHT) IRS Instructor Fred Verinder goes over some items relating to self-employed retirement plans at the Freeport School. (RIGHT CENTER) Also at Freeport, IRS Instructor Roger Vincent covers several matters dealing with futures trading and hedging by farmers. (BELOW) One of the candid shots taken at Jacksonville, during the 1968 series of Farm Income Tax Training Schools held throughout the State of Illinois at sixteen different locations. IRS Instructor Lee Farrell is working with income in respect of a decedent.





Pictures from the Jacksonville and Champaign Tax Schools. (TOP LEFT) Several Practitioners at Jacksonville discuss a point. (TOP RIGHT) Morgan County Assistant Extension Adviser Jack Carlson (far left) and three other participants check some figures with IRS Instructors Vincent Kloeckner and Charles Fowler. (CENTER) IRS Instructor Lee Farrell points out an item on the board. Looking on are (standing) University of Illinois Extension Agricultural Economist Fay Sims and IRS Instructor Charles Fowler, plus (seated) IRS Instructors Vincent Kloeckner (left), Joseph Lynch (right), and University of Illinois Extension Specialist in Agricultural Law C. Allen Bock (center). (BOTTOM LEFT) Adams County Extension Adviser Ron Dedert and two ladies at Jacksonville look at a depreciation problem with IRS Instructors Vincent Kloeckner and Charles Fowler. (BOTTOM RIGHT) A candid shot taken during the Champaign Tax School.

CONTENTS

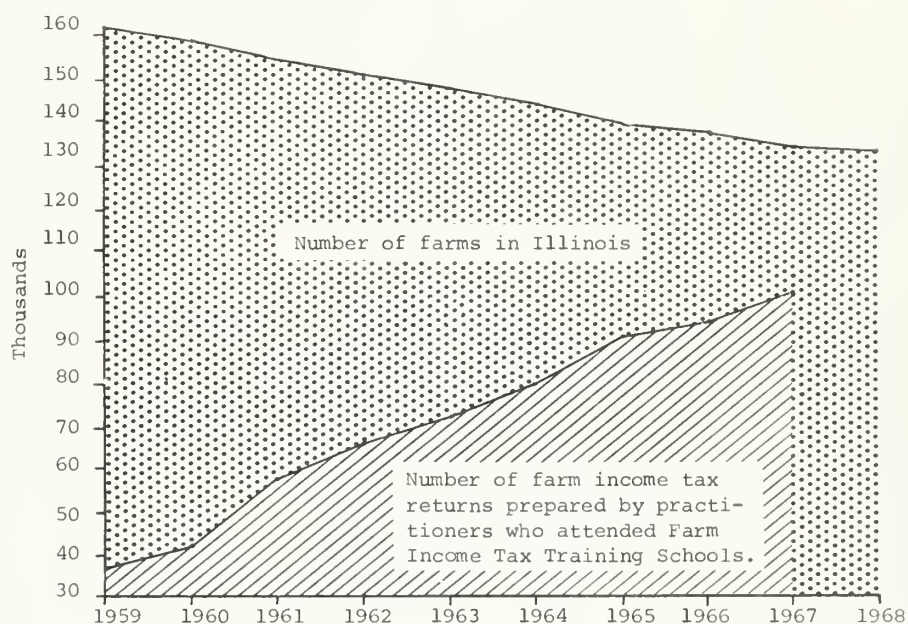
	<i>Page</i>
TAX SCHOOLS HAVE FAR-REACHING EFFECT IN ILLINOIS	1
Number of Farm Tax Returns Affected by Income Tax Schools More Than Triples in Eight Years	1
Tax Schools Affect Over a Quarter of a Million Illinois Income Tax Returns	1
Tax School Enrollees Prepare Many Returns.	2
ENROLLMENT INCREASES	3
Largest Number of Practitioners Ever Attend 1968 Schools	3
Reasons Practitioners Attend the Schools	4
Farm School is Only Income Tax Training for Most Enrollees	4
ALL ILLINOIS COUNTIES REPRESENTED.	5
New Locations Added.	5
1968 Enrollment Fee is \$5.	7
TAX SCHOOLS ARE A JOINT VENTURE.	7
Internal Revenue Service Provides Valuable Support	7
Many University of Illinois Cooperative Extension Service Personnel Also Serve	7
TAX SCHOOL WORKBOOK SERVES PURPOSE WELL.	8
FOR AND ABOUT TAX SCHOOL ENROLLEES	9
Many Tax Practitioners Do Other Types of Work.	9
Most Tax School Registrants Are Experienced.	9
Teaching Aided by Tax Practitioners' Experience.	9
COMMENTS ABOUT THE 1968 SCHOOLS.	9
Practitioners' Comments.	11
Extension Advisers' Comments	11
DISTRIBUTION OF INCOME TAX INFORMATION	11
News Stories and News Releases	12
Radio and Television	12
Farmers' Tax Guide	12

Tax Schools Have Far-Reaching Effect in Illinois

The present Income Tax Schools are designed for tax practitioners and consultants. The schools emphasize technical information necessary for accurate tax return preparation, information that is beyond the level of understanding of the average taxpayer. The emphasis on informing the tax practitioner helps achieve the goal of increasing the number of properly and accurately filed income tax returns. "Wholesaling" accurate and up-to-date income tax information to tax practitioners makes it possible for them, in turn, to "retail" this information to thousands of Illinois taxpayers.

NUMBER OF FARM TAX RETURNS AFFECTED BY INCOME TAX SCHOOLS MORE THAN TRIPLES IN EIGHT YEARS

The Tax Schools have continued to affect an ever-increasing number of Illinois farm income tax returns. In 1959, when the Illinois Cooperative Crop Reporting Service in Springfield reported that there were 164 thousand farms in Illinois, tax practitioners who attended the 1960 schools reported they had prepared and filed 35 thousand farm income tax returns for 1959. Eight years later (1967) with 133 thousand farms in Illinois, the 1968 Tax School participants reported they had prepared and filed 101 thousand farm income tax returns for 1967. Thus, the number of farm income tax returns indirectly affected by the Schools more than tripled in eight years. Chart 1, below, compares the number of farms in Illinois and the number of farm tax returns prepared by tax practitioners attending the Schools, 1959-1968. The figures are listed in Table 1.



Source: Number of farms from Illinois Agricultural Statistics Annual Summary, 1968, Bulletin 68-1, Illinois Cooperative Crop Reporting Service, Springfield, Illinois, page 11.

Chart 1. Number of farms in Illinois and the number of farm income tax returns prepared by practitioners attending Farm Income Tax Training Schools, 1959-1968.

Due to the pattern of increased size, intensity, and specialization on Illinois farms, farm income tax returns continue to become more-complicated and difficult to prepare. More and more, farmers rely on tax practitioners to prepare and file their income tax returns. It is good business for farmers to hire and be willing to pay for competent income tax service.

TAX SCHOOLS AFFECT OVER A QUARTER OF A MILLION ILLINOIS INCOME TAX RETURNS

The total number of income tax returns (both farm and nonfarm) prepared by tax school practitioners has also increased during the past nine years--from 65 thousand returns in 1959 to 271 thousand in 1967, or about four times. Thus, the "wholesaling of information" plan of the Farm Income Tax Training Schools has been effective in indirectly assisting many thousands of Illinois taxpayers. It would be next to impossible to get a comparable result by providing the same information, instructions, new rulings, and changes in the tax law directly to 250 thousand individual taxpayers.

The number of 1966 and 1967 income tax returns prepared by persons who attended the schools in 1967 and 1968 are compared by school location in Table 2. The increase in numbers from 1967 to 1968 is primarily because more persons attended the schools.

TAX SCHOOL ENROLLEES PREPARE MANY RETURNS

About 40 percent of the 1968 Tax School participants reported that they had prepared 200 or more 1967 income tax returns. By holding the schools especially for tax practitioners and consultants (persons who prepare tax returns for others), the information distribution process achieves a "multiplier effect"--indirectly assisting many taxpayers through the practitioners who serve them.

Sixty-seven percent of the school participants prepared 50 or more 1967 tax returns; 14 percent prepared 500 or more.

Table 1. Number of Farms in Illinois and Number of Tax Returns Prepared by Tax Practitioners Attending the Farm Income Tax Training Schools

Year	Number of farms in Illinois ^{a/}	Number of tax returns filed by tax school participants	
		farm	total
1959	164,000	35,000	65,000
1960	159,000	41,200	71,000
1961	155,000	57,300	108,200
1962	151,000	65,700	123,600
1963	148,000	73,400	158,800
1964	144,000	80,400	187,000
1965	139,000	91,900	214,600
1966	136,000	94,100	247,500
1967	133,000	101,300	271,800
1968	131,000

a/ Illinois Cooperative Crop Reporting Service, Springfield, Bulletin 68-1, page 11.

Table 2. Number of 1966 and 1967 Income Tax Returns Prepared by Persons Attending the 1967 and 1968 Illinois Farm Income Tax Training Schools, by Location (numbers are rounded off to even hundreds)

School location	Farm returns		Total number of returns	
	1967	1968	1967	1968
CHICAGO IRS DISTRICT				
Freeport	4,900	6,200	11,600	14,800
Geneva	4,300	...	18,200	...
LaSalle-Peru	...	10,000	...	23,300
Moline	...	2,900	...	6,500
North Aurora	...	4,600	...	23,500
Ottawa	6,700	...	13,800	...
Sterling	4,800	...	11,300	...
TOTAL:	20,700	23,800	54,900	68,100
SPRINGFIELD IRS DISTRICT				
Bloomington	6,500	10,100	17,100	23,800
Champaign	4,000	4,400	9,900	10,800
Decatur	5,700	4,400	18,100	11,900
Edwardsville	5,400	7,800	15,800	21,500
Effingham	9,900	8,800	22,200	22,600
Galesburg	7,600	6,100	26,300	18,600
Jacksonville	11,100	10,600	28,200	27,800
Macomb	5,500	6,100	13,000	15,500
Marion	5,800	5,500	17,400	18,500
Mt. Vernon	5,600	5,400	13,200	13,100
Olney	6,200	5,500	11,200	13,000
Pana	...	2,800	...	6,500
TOTAL:	73,300	77,600	192,400	203,700
STATE TOTAL:	94,000	101,300	247,300	271,800

Table 3. Breakdown of Income Tax Returns Prepared by Tax School Enrollees

	Total number of 1967 returns prepared and filed in 1968									
School location	1-9	10-24	25-49	50-99	100-199	200-299	300-499	500-749	750 & over	a/
	(percentages)									
CHICAGO IRS DISTRICT										
Freeport	4	..	4	14	24	8	10	10	6	19
LaSalle-Peru	3	1	7	6	21	12	19	12	10	8
Moline	3	..	6	6	35	16	10	10	3	10
North Aurora	7	5	6	13	15	13	10	5	13	13
AVERAGE:	5	2	6	10	22	12	13	9	8	13
SPRINGFIELD IRS DISTRICT										
Bloomington	3	4	3	9	26	19	14	8	2	12
Champaign	7	9	6	19	23	17	7	6	..	6
Decatur	5	5	14	10	19	10	12	9	5	10
Edwardsville	2	2	3	7	14	23	20	5	14	9
Effingham	3	9	5	7	7	12	12	12	5	27
Galesburg	8	6	4	8	16	10	14	8	5	20
Jacksonville	2	4	7	11	19	13	10	7	4	22
Macomb	5	7	5	9	7	18	14	5	11	18
Marion	3	7	7	10	20	8	11	4	11	18
Mt. Vernon	2	5	6	8	14	10	6	6	6	35
Olney	4	2	5	7	10	5	12	9	7	39
Pana	3	3	3	14	21	14	21	7	3	10
AVERAGE:	4	5	6	10	17	13	12	7	6	19
OVERALL AVERAGE:	4	4	6	10	18	13	12	8	6	18

a/ New practitioners, to begin tax filing work in 1969, and persons from offices where several individuals prepare tax returns when the number of returns was reported by other members of the firm.

Enrollment Increases

LARGEST NUMBER OF PRACTITIONERS EVER ATTEND 1968 SCHOOLS

Some 1,487 income tax practitioners and consultants enrolled at the seventeen schools held November 25 through December 20, 1968, throughout Illinois. Four schools were held in the Chicago Internal Revenue Service District and thirteen in the Springfield District.

The enrollment figures for the Tax Schools from 1959 through 1968 are given in Table 4. During these ten years, enrollment in the Chicago District increased from 58 to 337 (480 percent) and in the Springfield District from 381 to 1,150 (300 percent). The percentage increase for all of Illinois was 240.

Table 4. Number of Farm Income Tax Schools and Enrollment, 1959-1968

Year	Number of schools	Number of persons enrolled		Total
		Chicago District	Springfield District	
1959	6	58	381	439
1960	6	50	395	445
1961	6	69	402	471
1962	8	119	506	625
1963	8	162	578	740
1964	10	184	742	926
1965	13	214	799	1,013
1966	15	255	846	1,101
1967	16	264	1,083	1,347
1968	17	337	1,150	1,487

Enrollment figures and the counties represented at the Tax Schools in 1968 are compared with last year (1967) in Table 5.

From 1967 to 1968, enrollment increased 7 percent in the Springfield District, 28 percent in the Chicago District, and 10 percent over the state as a whole.

REASONS PRACTITIONERS ATTEND THE SCHOOLS

As a guide for future planning, the 1968 enrollees were asked why they attended the Farm Income Tax Training Schools. The main reason about 35 percent attended the schools was for the review of income tax rules and regulations. One respondent said: "I just couldn't get 'geared up' for another tax filing period without these two excellent days of instruction."

For another 35 percent of the enrollees, the main reason for attending was because the schools provide specific and complete information and instructions for filing farm returns. Some accountants and attorneys who attend professional tax schools said the farm returns they prepare are becoming more complicated each year and that they could not get information regarding these returns anywhere else.

The other major reasons practitioners listed for attending the schools are shown in Table 6.

FARM SCHOOL IS ONLY INCOME TAX TRAINING FOR MOST ENROLLEES

The 1968 Farm Income Tax Training Schools provided the only formal instruction in tax principles and practice for 715 of those responding. Although several professional organizations offer general tax seminars, many tax practitioners either are not members of these organizations or find the dates of the other schools inconvenient. Some 193 registrants attended one other tax training school, and 73 participated in two or more other tax education programs. Comments indicated that even those attending other schools felt that the Farm Schools offer material in tax principles and preparation mechanics that is not available in other tax schools.

Table 5. Locations, Dates, Enrollment, and Counties, Illinois Farm Income Tax Training Schools, 1967-1968

School location	1968 dates	Number of per- sons enrolled		Number of coun- ties represented	
		1967	1968	1967	1968
CHICAGO IRS DISTRICT					
East Moline	December 2-3	...	49	...	9
Freeport	December 12-13	62	88	11	8
Geneva	...	72	...	11	...
LaSalle-Peru	December 5-6	...	96	...	14
North Aurora	December 9-10	...	104	...	9
Ottawa	...	82	...	16	...
Sterling	...	48	...	10	...
TOTAL		264	337		
SPRINGFIELD IRS DISTRICT					
Bloomington	November 25-26	127	134	22	23
Champaign	December 19-20	115	109	17	12
Decatur	December 16-17	113	78	16	12
Edwardsville ^{a/}	November 25-26	78	84	12	13
Effingham	December 9-10	121	111	17	15
Galesburg	December 5-6	121	110	16	8
Jacksonville ^{b/}	December 12-13	149	180	17	16
Macomb	December 2-3	56	69	9	6
Marion	December 2-3	76	105	16	19
Mt. Vernon	December 5-6	71	74	13	11
Olney ^{c/}	December 16-17	56	63	12	13
Pana	December 9-10	...	33	...	6
TOTAL		1,083	1,150		
GRAND TOTAL		1,347	1,487		

^{a/} Including St. Charles and St. Louis, Missouri.

^{b/} Two schools held concurrently.

^{c/} Including Knox County, Indiana.

Table 6. Four Main Reasons Tax Practitioners Enrolled in 1968 Illinois Farm Income Tax Training Schools

School location	Serves as a review to prepare for another tax filing season	Specifically covers prob- lems and in- formation of farm tax returns	Teaches the essentials in filling- in tax forms	Is the only school convenient to attend
(The figures shown are percentages of the number of tax practitioners who listed the above as their main reason. Because of the procedure used, the averages do not total 100.)				
<i>CHICAGO IRS DISTRICT</i>				
Freeport	37	41	7	9
LaSalle-Peru	53	30	10	4
Moline	48	32	16	3
North Aurora	48	28	13	3
AVERAGE	46	33	13	5
<i>SPRINGFIELD IRS DISTRICT</i>				
Bloomington	37	48	7	4
Champaign	41	41	10	1
Decatur	38	35	17	5
Edwardsville	27	41	7	7
Effingham	30	43	13	8
Galesburg	33	43	12	5
Jacksonville	26	44	16	8
Macomb	34	39	13	9
Marion	42	21	14	13
Mt. Vernon	32	23	18	6
Olney	40	14	11	2
Pana	45	34	3	10
AVERAGE	34	37	12	6
STATE OF ILLINOIS	37	36	12	6

All Illinois Counties Represented

Tax practitioners from all 102 Illinois counties in Illinois attended the 1968 Tax Schools. The map on page 6 shows the number of persons from each county who attended both the 1967 and 1968 schools.

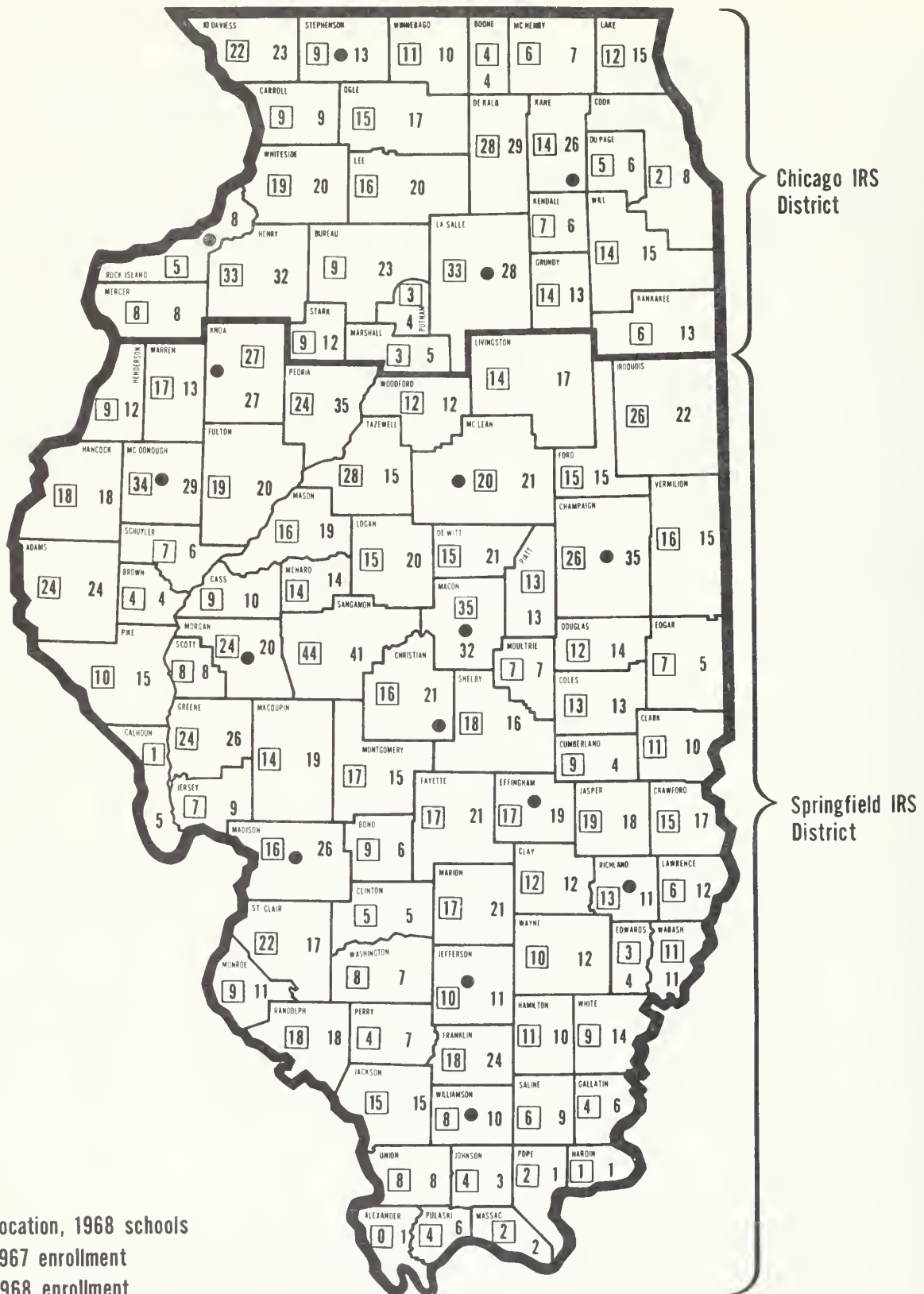
Twenty-six counties had 20 or more tax practitioners enrolled in the 1968 schools:

Sangamon . . 41	Kane 26	Fayette . . . 21
Champaign. . 35	Madison. . . 26	McLean. . . . 21
Peoria . . . 35	Greene . . . 26	Marion. . . . 21
Henry. . . . 32	Adams. . . . 24	Fulton. . . . 20
Macomb . . . 32	Franklin . . 24	Lee 20
DeKalb . . . 29	Bureau . . . 23	Logan 20
McDonough. . 29	JoDaviess. . 23	Morgan. . . . 20
LaSalle. . . 28	Iroquois . . 22	Whiteside . . 20
Knox 27	Christian. . 21	

NEW LOCATIONS ADDED

The increasing enrollments in the Tax Schools have made it necessary to add new locations. The teaching materials and teaching methods used at the schools are geared to groups of 60 to 80 persons. Schools of this size provide an opportunity for adequate interplay and for questions and answers between the instructors and the participants. Enrollment has increased each year, and the number of schools has also been increased. Because of this, it has been necessary to add new schools and to change locations.

Attendance by Counties at the 1968 Farm Income Tax Training Schools





In selecting locations, consideration is given to (1) geographical location and distribution over the state; (2) towns easily accessible by state and federal highways; and (3) well-lighted, comfortable facilities with adequate parking and convenient over-night lodging and eating accommodations. During the past two years, the enrollment fees paid by Tax School participants have made it possible to rent meeting rooms, making it possible to provide greatly improved facilities for the Tax Schools.

In 1968, one new school location at Pana was added in the Springfield IRS District. Three schools were moved to new locations in the Chicago District--East Moline, North Aurora, and LaSalle-Peru.

Attendance at seven of the schools in 1968 was near or over 100 persons (see Table 5), which exceeds a desirable number. At some locations, the large attendance caused physical problems. To alleviate this, additional school locations are being considered for 1969.

Map at left indicates the locations of 1968 Illinois Farm Income Tax Training Schools.

1968 ENROLLMENT FEE IS \$5

For the first time, an enrollment fee of \$4 was charged in 1967. The fee was \$5 in 1968.

The county Extension advisers collected the \$5 fee from each tax practitioner as he pre-enrolled. The fees were then forwarded to the University of Illinois at Urbana-Champaign and deposited in a special Tax School account. The fund was used to prepare and print a special school workbook, to print copies of new tax forms, to provide various resource materials for the schools, to pay the costs of meeting rooms, to purchase a master tax guide for each school participant, to purchase two portable public-address systems, to pay for special stenographic and clerical assistance, and to cover other expenses connected with organizing and conducting the schools.

Tax Schools Are a Joint Venture

INTERNAL REVENUE SERVICE PROVIDES VALUABLE SUPPORT

Since early 1950, the Internal Revenue Service, U.S. Treasury Department, has cooperated with the University of Illinois, Cooperative Extension Service, by providing instructors for the Farm Income Tax Training Schools, as well as helping with the planning and preparation of teaching materials. This excellent help and cooperation have made it possible for the Schools to be continued and expanded.

Very competent and especially trained revenue agents from the IRS Chicago and Springfield Districts served as instructors for the 1968 schools:

Chicago IRS District

Fred Verinder, Joliet
Roger Vincent, Rockford

Springfield IRS District

Lee Farrell, Danville
Vincent Kloeckner, E. St. Louis
Charles Fowler, E. St. Louis
Joseph Lynch, Bloomington

In developing the plans for the Tax Schools, *Melvin R. Mill*, Chief, Training Branch, Springfield IRS District, and *Wallace A. Hutton, Jr.*, Training Branch, Chicago IRS District, served as coordinators with *Fay M. Sims*, Extension Agricultural Economist, Department of Agricultural Economics, Cooperative Extension Service, University of Illinois at Urbana-Champaign.

Roger Fisher, Returns Classifying Officer, Springfield IRS District, served as special coordinator of the six instructors, organizing and directing the preparation of materials for the Tax School workbook. *J. John Henderson* and *C. Allen Bock*, Agricultural Law Specialists, Department of Agricultural Economics, Cooperative Extension Service, University of Illinois at Urbana-Champaign, helped prepare the agenda, examples, illustrations, and materials for the workbook.

MANY UNIVERSITY OF ILLINOIS COOPERATIVE EXTENSION SERVICE PERSONNEL ALSO SERVE

County Extension advisers in agriculture in each Illinois county handled enrollment for the Tax Schools. They invited tax practitioners in their counties to enroll, then assembled the enrollments and forwarded

them to the University of Illinois for final processing. At each school location, the county Extension adviser made local arrangements for facilities and helped organize the opening session of the school. Those who helped at various school locations were:

<i>School location</i>	<i>Extension adviser in agriculture</i>	<i>County</i>
Bloomington	<i>Eugene G. Mosbacher</i>	McLean
Champaign	<i>Earl C. Bantz</i>	Champaign
Decatur	<i>Warren E. Myers</i>	Macon
East Moline	<i>John E. Kenney</i>	Rock Island
Edwardsville	<i>Warren W. Bundy</i>	Madison
Effingham	<i>Clinton S. Cutright</i>	Effingham
Freeport	<i>C. Wayne Hoelscher</i>	Stephenson
Galesburg	<i>Don L. Teel</i>	Knox
Jacksonville	<i>George A. Trull</i>	Morgan
LaSalle-Peru	<i>Ronald Fink</i>	LaSalle
Macomb	<i>Richard D. Weller</i>	McDonough
Marion	<i>Victor N. Smith</i>	Williamson
Mt. Vernon	<i>Donald Lee</i>	Jefferson
North Aurora	<i>Philip B. Farris</i>	Kane
Olney	<i>Paul R. Wirth</i>	Richland
Pana	<i>Kermit O. Roe</i>	Christian

University of Illinois Cooperative Extension Service personnel in charge of the various Tax Schools were:

<i>C. Allen Bock</i> , Extension Agricultural Law Specialist	Effingham Galesburg Jacksonville Macomb
<i>W. Allen Bouslog</i> , Extension Area Adviser, Dixon.	Freeport North Aurora Moline
<i>Donald Doerr</i> , Extension Area Adviser, Benton	Marion Mt. Vernon
<i>Emil C. Mosser</i> , Extension Area Adviser, Effingham.	Edwardsville Olney Pana
<i>Fay M. Sims</i> , Extension Agricultural Economist.	Bloomington Champaign Decatur Jacksonville LaSalle-Peru

Tax School Workbook Serves Purpose Well

A 134-page workbook was prepared and printed for use at the 1968 Tax Schools. The workbook contained current topics, income tax changes and other information, examples, situations, questions, answers, useful reference materials, and blank spaces for making notes.

The basic material for the workbook was written by the six IRS instructors: *Lee J. Farrell*, *Vincent Kloeckner*, *Charles Fowler*, *Joseph Lynch*, *Fred Verinder*, and *Roger Vincent*. *Roger Fisher*, Springfield IRS District, coordinated the preparation of the material by assigning topics, then combining the materials into a first draft. The material was then organized and edited preparatory to being printed. *Robert E. Smith*, Publications Editor, Office of Agricultural Publications at the University of Illinois, Urbana-Champaign, gave valuable assistance in editing, preparing the material for printing, and coordinating printing plans with the University of Illinois Press. *Ray Dalbey*, *John Opolka*, and *Ralph Franklin* supervised the printing, assembling, and binding at the University Press.

About 10 days prior to the school, the University Press mailed a workbook to each pre-enrolled practitioner. Address labels were supplied by the Cooperative Extension Service. Using a new wrapping process, each book was double-wrapped in clear polyethylene and transported to the local post office for mailing. The new wrapping process and mailing arrangement worked very well. The tax practitioners reported that the workbooks arrived in good condition.

To explain and illustrate various topics being discussed, 54 "situations" were included in the workbook, as practical examples of actual tax situations. Answers were not included in the book but were handed out during the school.

The chapters in the workbook coincided with the agenda for the schools:

- Automatic Data Processing
- Depository Receipt Requirements
- What's New in Federal Income Tax
- Last Minute Changes--Income Tax
- Net Operating Loss
- Federal Income Tax of Decedents and Estates
- Depreciation
- Casualty Losses and Involuntary Conversions
- Basis of Property
- Rules for Determining Basis
- Futures Trading and Hedging by Farmers
- Investment Credit
- Soil and Water Conservation Expenses
- Land Clearing Expenses
- Installment Sales
- Contributions
- Gains and Losses from Sales or Exchanges of Property
- Self-Employed Retirement Plans--Keogh Act
- Deposits: Contractual Payment
- Illinois IRS Districts
- Directory, IRS Springfield and Chicago
- Cooperative Extension Service, University of Illinois, County and Area Extension Personnel
- Map of IRS Regions and Districts
- Helpful Tax Literature
- Income Tax Audit and Appeal Procedures

For and About Tax School Enrollees

MANY TAX PRACTITIONERS DO OTHER TYPES OF WORK

Thirty-one percent of tax school students consider themselves tax practitioners. However, some individuals prepare tax returns as a part of other endeavors--23 percent were accountants, 11 percent bookkeepers, and 9 percent attorneys. The other 20 percent represented a variety of occupations. A very small percentage of those attending were semi-retired persons. But one semi-retired tax practitioner who attended cannot be criticized for "slowing down." He is 93 years old (see Table 7).

MOST TAX SCHOOL REGISTRANTS ARE EXPERIENCED

The majority of the tax practitioners attending and reporting (53 percent) have been preparing tax returns professionally for over ten years. Nineteen percent indicated that they had prepared returns between five and ten years. Although almost 20 percent of those reporting had prepared returns for four years or less, only 6 percent reported that they had not previously filed returns (see Table 7).

TEACHING AIDED BY TAX PRACTITIONERS' EXPERIENCE

The experiences of the tax practitioners often supplemented the formal teaching effort. Sixty-two of the tax practitioners reporting had been attending the Tax Schools for over 25 years. Although 113 said they had been present between 16 and 25 years, almost 50 percent had attended schools for 5 years or less. The dialogue between old and new students often led to a better understanding of the tax problems discussed (see Table 8).

Comments About the 1968 Schools

In addition to providing a review and specific information regarding farm returns and specifics on filling-in tax forms, practitioners listed other values from the Tax Schools: "Opportunity to share the problems and solutions of other practitioners." "Better than some professional schools I've attended." "Cost most reasonable." "Earliest school given." "To learn recent tax law changes, new rulings, and regulations on old laws."

Table 7. Grouping by the Number of Years 1968 Tax School Enrollees Have Been Preparing Income Tax Returns

School location	Number of years practitioners have been preparing income tax returns				No answer
	Over 10	5-10	1-4	0	
(figures below are percentages of the number reporting)					
CHICAGO IRS DISTRICT					
Freeport	41	23	28	7	
LaSalle-Peru	60	21	17	3	
Moline	74	13	6	6	
North Aurora	43	34	15	6	1
AVERAGE PERCENTAGE	51	25	18	5	1
SPRINGFIELD IRS DISTRICT					
Bloomington	62	9	22	6	1
Champaign	59	26	9	3	3
Decatur	52	17	21	9	2
Edwardsville	61	21	14	3	
Effingham	52	20	21	4	2
Galesburg	60	16	16	7	
Jacksonville	53	16	20	10	1
Macomb	50	13	25	7	5
Marion	55	25	17	1	1
Mt. Vernon	39	16	24	8	13
Olney	31	17	23	5	23
Pana	59	14	24	3	
AVERAGE PERCENTAGE	53	17	20	6	4
COMBINED AV. PERCENTAGE	53	19	19	6	3

Table 8. Grouping of 1968 Illinois Farm Income Tax School Registrants, According to the Number of Years in Attendance

School location	Number of years practitioners have been attending tax schools							
	0	1-5	6-10	11-15	16-20	21-25	26-30	Total
<i>CHICAGO IRS DISTRICT</i>								
Freeport	6	43	9	2	1	3	6	70
LaSalle-Peru	19	31	8	6	6	1	1	72
Moline	3	17	3	3	3	1	1	31
North Aurora	14	43	8	3	4	4	3	79
TOTAL	42	134	28	14	14	9	11	252
<i>SPRINGFIELD IRS DISTRICT</i>								
Bloomington	21	53	16	9	6	5	2	112
Champaign	7	37	8	8	5		4	69
Decatur	1	39	10	2	2	3	1	58
Edwardsville	11	22	10	3	5		5	56
Effingham	9	46	20	6	6	2	1	90
Galesburg	10	41	18	1	4	5	6	85
Jacksonville	17	62	28	6	13		8	134
Macomb	3	23	12	1	7	3	7	56
Marion	10	31	14	2	6		8	71
Mt. Vernon	1	26	11	7	11	1	5	62
Olney	15	23	8	4	2	1	4	57
Pana	2	18	6		1	2		29
TOTAL	107	421	161	49	68	22	51	879
COMBINED DISTRICTS TOTAL	149	555	189	63	82	31	62	1,131

PRACTITIONERS' COMMENTS

"Another member of our firm and I attended the Farm Income Tax Training School at Bloomington, and we wish to express our appreciation for the fine work and the cooperative effort of the Internal Revenue Service and the University of Illinois Extension Service. I have attended the schools on three or four other occasions, and I find that the program is quite informative. We use the material in a staff meeting to review the tax problems of the farmers."

"The printed material and Mr. Farrell's presentations are most helpful to us during the tax season."

"This was a very fine seminar, one of the best I have attended and I take this opportunity to express my thanks to the Internal Revenue Service and to the men who represented the Service for a job well done, namely Lee Farrell and Joe Lynch. They did an excellent job."

"I want to take this time to express my thanks to you and your Department for the fine Tax Seminar which I attended at Pana, Illinois."

"It was the best I have attended."

"Excellent school. Good to see two government agencies working together so well. Thanks University of Illinois and Internal Revenue Service."

"Last year was the best-organized and most-informative Farm Income Tax School I have ever attended. I appreciate what you and your staff, along with the IRS, are doing. Keep it up!"

"The 1968 Tax School workbook was done in excellent fashion, and in many instances it was used as a reference above other sources."

EXTENSION ADVISERS' COMMENTS

"The names of the sixteen income tax practitioners who attended the Farm Income Tax School were listed in the newspaper column. This helped educate the farmers on a good, reliable source of assistance to use in filing their returns. Each year the number of income tax practitioners from this county who enroll in the Schools increases." *Leslie W. Rogers, Marion County Extension Adviser in Agriculture.*

"Assistance for filing income tax returns is available to farmers in the county through individuals that have received training at Income Tax Schools sponsored by the Extension Service and the Internal Revenue Service." *Charles N. Glover, Union County Extension Adviser in Agriculture.*

"An Income Training School was held at Mt. Vernon and even though it cost \$5, it was one of the best schools ever held...wondered if it would be possible for the improvements to be as great in the school in 1969 as in 1968." *Francis W. Kittinger, Hamilton County Extension Adviser in Agriculture.*

"Each year, all persons who are in the business of working with farmers on income tax are urged to attend the District Training Schools held jointly by the University of Illinois Department of Agricultural Economics and the Internal Revenue Service. Organizations from the county sending representatives to these schools include banks, insurance companies, lawyers, and others." *J. Curt Eisenmayer, Henderson County Extension Adviser in Agriculture.*

"The University of Illinois and the Internal Revenue Service held their second annual Income Tax School, which broke all records for attendance in this area (Macomb). We feel that this is very important, not only to practitioners, but especially to county farmers since they will receive the greatest benefit from proper knowledge of filing tax returns." *Richard D. Weller, McDonough County Extension Adviser in Agriculture.*

Distribution of Income Tax Information

During the last few years, the University of Illinois Office of Agricultural Communications has cooperated with the Department of Agricultural Economics in releasing tax information to Illinois farmers and tax practitioners through the press, radio, and television.

J. John Henderson and C. Allen Bock, University of Illinois Extension Agricultural Law Specialists, and Fay M. Sims, University of Illinois Extension Agricultural Economist, worked closely with and supplied subject-matter information to Joseph T. Sample, University of Illinois Extension Communications Specialist, who edited and released the tax information.

NEWS STORIES AND NEWS RELEASES

A special tax packet of eight stories was mailed to county Extension advisers in 100 Illinois counties. These exclusive stories were released by advisers to weekly newspapers that do not receive regular press services from the University of Illinois. There are 711 weekly Illinois newspapers with a combined circulation totaling several million. The stories were:

1. Dates Announced for Filing Income Taxes
2. Poor Tax Advice Costly to Farmers
3. Claim Gas-Tax Refunds on Income Tax Returns
4. Tax Guide Available to Illinois Farmers
5. Plan Year-End Strategy to Save Tax Dollars
6. Omissions Costly When Reporting Income Taxes
7. Many Farm Expenses Legal Deductible Tax Items
8. Form 4347 Prevents Useless Tax Bite

The Office of Agricultural Communications mailed two tax stories to 78 daily Illinois newspapers. Not including metropolitan newspapers in the Chicago area, the combined circulation of the 78 Illinois daily newspapers tops ten million. These stories were:

1. Extra Care Decreases Tax Processing Time
2. Tax Laws Benefit Over-65 Age Group

Henderson and Sims prepared two full-page stories on income tax management for *Big Farmer*, a publication serving 325 thousand of the nation's top-income farmers, ranchers, and growers.

"Timely Paragraphs," a monthly news service of the University of Illinois Office of Agricultural Communications, is sent to 125 state, regional, and national magazine editors. The editors use the information tips as column fillers and as shorts and story ideas for future editions. Eight "Timely Paragraphs" dealing with income tax were included in the December, 1968, and January, 1969, releases.

RADIO AND TELEVISION

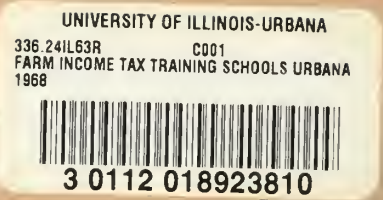
Clifford W. Scherer, University of Illinois Communications Specialist, worked with Bock and Sims in broadcasting tax information via radio and television to Illinois farmers, tax practitioners, and other interested taxpayers.

Scherer prepared three 5-minute radio tapes that were sent to more than 70 Illinois radio stations, ones that blanket the state with their coverage. In addition, Scherer prepared and released six tax items in the University of Illinois script service, which goes to more than 200 radio stations. (The tapes are live performances, while the script service is a news sheet with individual news shorts varying from 30 to 60 seconds in length.)

Several live television performances were made by Bock and Sims. The main stations carrying University of Illinois/Internal Revenue Service tax information were WCIA-TV in Champaign, and WGN-TV in Chicago.

FARMERS' TAX GUIDE

The University of Illinois Cooperative Extension Service received and distributed 22,000 copies of the IRS publication 1969 *Farmers' Tax Guide* to county Extension advisers. Distribution was based on the number of commercial farmers residing in each county.



Urbana, Illinois July, 1969
Cooperative Extension Work, University of Illinois
at Urbana-Champaign College of Agriculture and
the U.S. Department of Agriculture Cooperating.
John B. Claar, Director. Acts Approved by Congress
May 8 and June 30, 1914.

